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CROPS AND MARKETS

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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

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U.K. TO LIBERALIZE

MOST CANNED FRUIT

Effective August 1, the United Kingdom will remove import controls on canned fruit, except canned citrus fruit and apples, from the dollar area.

This action will free the U.K. market of restrictions on dollar area canned fruit for the first time since World War II. Imports in 1960-61 are controlled by monetary quotas--£ 4.2 million on canned deciduous fruit and £ 175,000 on canned pineapple. Nonliberalized import quotas are £ 800,000 on canned apples, £ 450,000 on canned grapefruit sections, and £ 300,000 on canned fruit juices.

Liberalization will allow U.S. canned fruit to return to normal distribution channels. In addition, U.S. canners, who are interested in expanding sales, can now undertake canned fruit promotions on an even larger scale. Prospects for improved sales have been strengthened by below-normal packs of canned fruit in Australia and the Republic of South Africa.

ITALY TO LIFT SOME FRUIT RESTRICTIONS

Effective June 27, Italy will remove existing quantitative import restrictions from fresh citrus fruits; frozen fruits, with and without sugar; grapefruit and pineapple juices; and canned fruits, including canned nuts. Minor items from which restrictions will also be removed include citrus fruit peel and glace or crystallized fruits.

U.S. TOBACCO EXPORTS
RISE IN APRIL

U.S. exports of unmanufactured tobacco totaled 25.1 million pounds in April, compared with 14.4 million in April 1960.

The value of April exports was \$17.9 million, compared with \$9.5 million for the same month a year ago.

Flue-cured exports in April, at 18.3 million pounds were double those of April 1960. Gains also were made for burley, dark-fired Kentucky-Tennessee, Maryland, Green River, Black Fat, and cigar wrapper.

For the first 4 months of calendar 1961, exports were 11.4 percent larger than for the corresponding period a year ago. For the first 10 months of fiscal 1961, exports were 452.5 million pounds--up 12.1 percent from the first 10 months of fiscal 1960.

TOBACCO, UNMANUFACTURED: U.S. exports by type, April and January-April 1960 and 1961, with percentage change

Type	(Export weight)					
	April		Percent change	January-April		Percent change
	1960	1961		1960	1961	
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Flue-cured.....	9,143	18,339	+100.6	66,748	72,627	+8.8
Burley.....	945	1,072	+13.4	8,479	8,384	-1.1
Dark-fired Ky.-Tenn.....	2,715	2,827	+4.1	6,345	7,952	+25.3
Va. fire-cured 1/.....	105	46	-56.2	1,581	1,959	+23.9
Maryland.....	531	1,291	+143.1	2,819	3,818	+35.4
Green River.....	22	42	+90.9	560	300	-46.4
One Sucker.....	---	36	---	174	115	-33.9
Black Fat, etc.....	343	401	+16.9	1,511	1,732	+14.6
Cigar wrapper.....	155	276	+78.1	1,286	1,745	+35.7
Cigar binder.....	35	35	---	284	812	+185.9
Cigar filler.....	11	11	---	37	40	+8.1
Other.....	355	734	+106.8	813	1,462	+79.8
Total.....	14,360	25,110	+74.9	90,637	100,946	+11.4
	Million dollars	Million dollars	Percent	Million dollars	Million dollars	Percent
Declared value.....	9.5	17.9	+88.4	66.2	74.3	+12.2

1/ Includes sun-cured. Bureau of the Census.

U.S. exports of tobacco products in April were valued at \$8.9 million--a gain of 27.1 percent from April 1960. Shipments of cigarettes, at 1,886 million pieces, were up 31.5 percent; chewing tobacco and snuff rose 55.8 percent. Exports of all other products were smaller this year than in April 1960. For the first 4 months of calendar 1961, total valuation of all tobacco product exports was \$34.1 million, compared with \$28.9 million for January-April 1960.

TOBACCO PRODUCTS: U.S. exports, April and January-April
1960 and 1961, with percentage change

Products and value	April		Percent change	January-April		Percent change
	1960	1961		1960	1961	
Cigars and cheroots						
(1,000 pieces).....	2,879	1,220	-57.6	8,277	4,761	-42.5
Cigarettes						
(million pieces).....	1,434	1,886	+31.5	5,939	7,145	+20.3
Chewing and snuff						
(1,000 pounds).....	43	67	+55.8	304	282	-7.2
Smoking tobacco in pkgs.						
(1,000 pounds).....	89	45	-49.4	260	272	+4.6
Smoking tobacco in bulk						
(1,000 pounds).....	619	415	-33.0	2,600	1,926	-25.9
Total declared value						
(million dollars).....	7.0	8.9	+27.1	28.9	34.1	+18.0

Bureau of the Census.

WEST GERMAN CIGARETTE
CONSUMPTION UP AGAIN

Cigarette consumption in West Germany continued to establish new records in 1960.

Sales at 70.9 billion pieces, were 8.7 percent larger than in 1959. Further increases are expected in 1961.

Blended cigarettes accounted for about 85 percent of all brands sold last year. These include both the American-blended and the German-blended versions. The former contains on the average, 40-percent U.S. leaf, 35-percent oriental tobacco, and 25-percent other light cigarette tobaccos; the German-blend averages 50-percent oriental, 30-percent U.S. leaf, and 20-percent other tobaccos.

Filter-tipped cigarettes continued to gain in popularity in 1960, accounting for 68 percent of total sales. Further increases in filter-tips are expected this year, and in March 1961, they made up 72 percent of all cigarette sales.

In contrast to cigarettes, cigar sales dropped 4.3 percent last year. In 1959, cigar sales totaled 4,544 million pieces, but were only 4,349 million in 1960. A further drop is expected this year. Smoking tobacco sales also fell rather substantially in 1960, while chewing tobacco and snuff were down a little.

TOBACCO PRODUCTION UP AGAIN IN RHODESIAS-NYASALAND

Recent estimates place the 1961 tobacco harvest in Rhodesias-Nyasaland at about 278 million pounds--a new record.

Flue-cured production in 1961 is placed at 249 million pounds--a rise of 12 percent from last year, and nearly 100 million pounds larger than the 1958 harvest. Burley production is estimated at 5 million pounds--nearly double the 1960 crop. Other kinds of tobacco, however, including fire-cured, sun/air-cured, and oriental were smaller than last year.

TOBACCO: Federation of Rhodesia and Nyasaland,
production by kinds, 1958-61

Type	1958	1959	1960	1961 ^{1/}
	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Flue-cured.....	156,016	195,229	222,403	249,200
Fire-cured.....	30,981	26,479	21,491	17,410
Burley.....	3,810	3,343	2,920	5,000
Sun/air-cured.....	2,509	5,564	6,970	4,830
Oriental.....	448	964	2,400	1,429
Total.....	193,764	231,579	256,184	277,869
^{1/} May estimate.				

DUTCH EXPORTS OF CIGARETTES RISE SHARPLY

Exports of cigarettes from the Netherlands in 1960 totaled 937 million pieces--double the 455 million shipped in 1959.

The major market last year was Belgium-Luxembourg, with purchases of 456 million--about half the total. Other principal outlets included Italy, the United Kingdom, and France. Belgium-Luxembourg, Italy, and France are copartners of the Netherlands in the European Common Market.

FRENCH PRODUCERS PROTEST IMPORTS OF FRUIT

French fruit producers, attending a recent national conference in Lyon, protested the import of fruit from all countries, including those of the Common Market (EEC).

According to the French newspaper La Figaro of May 10, French production has increased from 1,558,000 metric tons in 1958 to 1,844,000 in 1960. During the same period, imports rose from 940 million new francs to 1,500 million, while exports increased from 50 million new francs to 160 million.

Producers claimed that fruit imports were 200,000 metric tons from February 15 through July 31, which was considered to be 100,000 tons more than necessary to flood the French market. As a result, 100,000 tons had to be stored, while 10,000 tons of French fruit were lost to the market.

Producers insisted on increased minimum prices, protection from liberalization of trade, permanent equalization fees, and a revision of the export policy supported by export contracts for specific quantities.

U.S. FEED GRAIN EXPORTS DOWN 6 PERCENT

U.S. feed grain exports from July 1960 through April 1961 were 9.1 million tons--6 percent under the 9.6 million shipped in the same period a year earlier.

Corn shipments totaled 5.3 million tons--up 16 percent from the 4.6 million of 1959-60. Increased exports to the Netherlands and Japan largely account for the increase.

Exports of oats totaled 336,000 tons--down 39 percent from the 550,000 a year earlier. Major markets in Western Europe took less than a year ago, particularly West Germany. The Netherlands received 75 percent of total shipments.

Barley exports of 1.5 million tons were down 34 percent from last year mainly because of reduced shipments to Japan, West Germany, Denmark, Belgium, and the United Kingdom.

Sorghum exports of 1.9 million tons were down 14 percent from the 2.2 million of 1959-60. Shipments were lower to West Germany, the United Kingdom, Belgium, Norway, and Denmark but higher to the Netherlands, Poland, India, and Japan.

**FEED GRAINS: U.S. exports to principal countries, July-April 1959-60
and July-April 1960-61**

Country of destination	Corn ^{1/}	Oats	Barley	Sorghum	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
July-April 1959-60:					
Canada	408,487:	30 :	1,087:	1,437:	411,041
Other Western Hemisphere	137,546:	4,002 :	94,049:	12,307:	247,904
Austria	206,883:	5,177 :	56,566:	10,588:	279,214
Belgium-Luxembourg	274,064:	30,832 :	141,621:	492,559:	939,076
Denmark	46,517:	13,267 :	197,801:	205,493:	463,078
France	17,374:	-- :	-- :	-- :	17,374
West Germany	375,592:	173,450 :	408,505:	208,655:	1,166,202
Greece	32,229:	-- :	26,860:	2,134:	61,223
Ireland	60,300:	508 :	13,792:	2,032:	76,632
Italy	34,905:	3,785 :	31,220:	120:	70,030
Netherlands	730,692:	272,780 :	393,064:	532,521:	1,929,057
Norway	56,932:	-- :	22,608:	97,390:	176,930
Poland	47,874:	-- :	347,546:	60,990:	456,410
Spain	33,701:	-- :	65,272:	-- :	98,973
Sweden	16,236:	26,584 :	1,856:	33,136:	77,812
Switzerland	20,602:	18,791 :	28,857:	1,431:	69,681
United Kingdom	1,601,931:	2,032 :	67,174:	308,257:	1,979,394
Other Europe	27,949:	170 :	2,885:	-- :	31,004
India	66,778:	-- :	-- :	-- :	66,778
Israel	63,040:	17 :	27,434:	151,720:	242,211
Japan	169,113:	-- :	58,322:	-- :	227,435
Other Asia and Oceania	45,940:	77 :	299,792:	-- :	345,809
Egypt	49,943:	-- :	5,750:	9,893:	65,586
Other Africa	35,613:	-- :	20,770:	47,004:	103,387
Total	4,560,241:	551,502 :	2,312,831:	2,177,667:	9,602,241
July-April 1960-61:					
Canada	569,470:	22 :	13,498:	14,694:	597,684
Other Western Hemisphere	89,193:	2,691 :	38,446:	19,750:	150,080
Austria	167,716:	3,476 :	65,739:	11,081:	248,012
Belgium-Luxembourg	401,952:	33,686 :	89,913:	359,074:	884,625
Denmark	13,410:	1,267 :	44,290:	42,529:	101,496
France	4,554:	-- :	-- :	1,131:	5,685
West Germany	289,686:	16,038 :	163,636:	70,767:	540,127
Greece	97,817:	-- :	50,709:	4,399:	152,925
Ireland	81,938:	-- :	1,524:	-- :	83,462
Italy	86,420:	7,875 :	58,002:	17,503:	169,800
Netherlands	916,268:	251,835 :	199,004:	542,595:	1,909,702
Norway	41,863:	-- :	508:	43,966:	86,337
Poland	60,413:	-- :	246,073:	97,359:	403,845
Spain	120,217:	-- :	157,314:	238:	277,769
Sweden	3,465:	1,040 :	2,754:	6,233:	13,982
Switzerland	8,300:	18,124 :	14,974:	8,569:	49,967
United Kingdom	1,594,665:	-- :	6,293:	293,900:	1,894,858
Other Europe	21,201:	14 :	4,537:	197:	25,949
India	78,833:	-- :	-- :	53,246:	132,079
Israel	96,122:	-- :	37,087:	147,654:	280,863
Japan	438,214:	-- :	-- :	115,492:	553,706
Other Asia and Oceania	35,827:	45 :	298,262:	12,083:	346,217
Egypt	39,775:	-- :	-- :	-- :	39,775
Other Africa	54,103:	-- :	42,955:	8,426:	105,484
Total	5,311,422:	336,113 :	1,535,518:	1,871,376:	9,054,429

^{1/} Includes seed except sweet corn and exports for relief or charity.

ARGENTINE FEED GRAIN EXPORTS DROP SHARPLY IN 1961

Argentina's exports of corn, oats, barley, and sorghums in the first quarter of 1961 declined 70 percent from the similar period of 1960.

Corn exports were 500,000 metric tons below last year's shipments due principally to a lack of supplies. Barley exports were 70,000 tons less than last year and oats 35,000 tons under 1960.

Corn, sorghums, and barley suffered a seasonal decline in prices due to appearance of the new crops but are still bringing well above minimum support prices. Oats continued to present price problems but stayed near the support price during the first quarter. This fact is attributed largely to the decline in international prices.

The new-crop corn is moving out with little difficulty except in the Santa Fe port, where some labor problems have been reported.

FEED GRAINS: Argentine exports, by country of destination,
January 1 through March 31, 1961

Country of destination	Corn	Oats	Barley	Sorghum	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
Italy.....	57,601	36,726	10,993	----	105,320
Netherlands.....	25,269	35,013	---	630	60,912
Germany, West.....	1,850	4,648	34,152	3,300	43,950
Belgium.....	11,954	---	---	514	12,468
Denmark.....	800	10,530	---	---	11,330
Others.....	2,259	11,964	---	---	14,223
Total.....	99,733	98,881	45,145	4,444	248,203
Total 1st quarter 1960.....	599,542	134,100	117,174	8,443	859,259

JAPAN REVEALS PLANS FOR WHEAT PURCHASES

The Japanese Ministry of Agriculture and Forestry recently announced its foreign exchange budget for purchases of wheat during the fiscal year--April 1, 1961 through March 31, 1962. The planned purchases are shown in the following table.

Type	April-September 1961	October 1961- March 1962	Total
	1,000 metric tons	1,000 metric tons	1,000 metric tons
Wheat for staple food:			
Soft.....	373	356	729
Semihard.....	94	102	196
Hard.....	560	564	1,124
Total.....	1,027	1,022	2,049
Feed wheat:			
Canada.....	285	198	483
Australia.....	196	173	369
Total.....	481	371	852
Grand total.....	1,508	1,393	2,901

U.S. POULTRY MEAT EXPORTS CONTINUE TO INCREASE

U.S. exports of poultry meat in the first 3 months of 1961 were 39.6 million pounds, compared with 30.3 million in the same period of 1960.

Shipments of frozen chicken, mostly broilers and fryers, increased 39 percent to 31.4 million pounds, accounting for 79 percent of all poultry meat exports. West Germany continued to be the largest market, taking 13.6 million pounds, or 43 percent, of total chicken meat exports. Shipments to the Netherlands increased 145 percent over the previous year to 4.3 million pounds. As a result, the Netherlands replaced Switzerland in early 1961 as the second largest market for U.S. chicken meat. Exports of canned poultry meat increased 0.8 million pounds to 3.1 million.

Exports of baby chicks were 9.3 million head--up 117 percent from the comparable period of 1960. Total shell egg exports declined 14 percent to 3.6 million dozen, while shipments of dried and frozen eggs declined 18 percent to 1.2 million pounds.

ITALY EXPECTS BUMPER FILBERT CROP

The 1961 Italian filbert crop may reach record proportions, according to preliminary indications.

Although it is early to forecast the size of the crop reliably, tentative estimates point to a commercial harvest of at least 50,000 short tons,

WEST GERMANY USES NEW PROCEDURE FOR IMPORTING FEED GRAINS

West Germany has adopted a new procedure for use in the import of feed grains and brewing barley but is continuing to utilize the old method concurrently with the new.

Under the new system, the West German Import and Storage Agency has begun to (a) import feed grains through private traders to whom it has awarded import licenses and (b) purchase the grain from the traders without reselling it to them.

Under the old procedure, when a feed grain import license is issued to a trader, the agency and the trader enter into a 2-way contract. As a result, the trader is required to sell the grain to the agency at the c.i.f. cost. The agency must sell the grain back to the trader for the same price, plus a prescribed "skimming charge." This is the so-called "importers' own risk of sale" procedure.

Under the new system, an import license for feed grain or brewing barley is issued to a trader on a bid basis, and the agency buys the grain from the trader for the amount of the bid. The agency, however, does not resell the grain to the trader but puts it into government stocks. This method is called the "lowest-bid DM end-price" procedure.

The government is coupling sales of domestic feed wheat with imported corn so that its large holdings of wheat can be marketed. The agency is requiring purchasers of corn to buy equal quantities of government-owned feed wheat. West Germany also owns large quantities of domestic feed and brewing barley, and it wants to couple sales of these grains with sales of U.S. feed oats to be obtained under International Cooperation Administration (I.C.A.) feed grain purchase authorizations.

ARGENTINA INCREASES EXPORTS OF GRAIN SORGHUMS

Argentina's annual exports of grain sorghums between 1956-57 and 1959-60 increased from 5.2 to 9.0 million bushels.

Exports, however, were far behind U.S. shipments of 29.0 million bushels in 1956-57 and 98.8 million in 1959-60. The United States is by far the world's largest exporter of sorghums, and Argentina is second largest. Argentine exports for 1960-61 will be higher, and those of the United States will be somewhat below 1959-60 levels.

From 1956 through 1960 Argentine grain sorghum production increased from 11.1 to 30.7 million bushels, while U.S. production rose from 206.2 to 585.3 million. Argentina's 1960-61 output is estimated at 46.3 million bushels, while that of the United States is forecast at 637.7 million.

(Continued on following page)

GRAIN SORGHUMS: Argentine and U.S. exports and production,
1956-57 through 1960-61

Year (July-June)	Argentina		United States	
	Exports	Production	Exports	Production
	Thousand bushels		Thousand bushels	
1956-57.....	5,236	11,112	28,979	206,205
1957-58.....	6,736	23,975	42,313	564,324
1958-59.....	13,129	28,620	94,656	610,376
1959-60.....	9,024	30,691	98,841	585,253
1960-61.....	1/12,000	46,297	1/ 85,000	637,673

1/ Preliminary estimate.

ECUADOR SETS ADDITIONAL
EXCHANGE RATES

Ecuador established new official exchange rates, effective May 22, at 18.00 sucres per U.S. dollar for exports and 18.20 sucres per dollar for imports.

These rates are in addition to the existing export and import rates of 15.00 and 15.15 sucres per dollar, respectively. They apply to certain transactions previously covered by the fluctuating free-market rate. Recent quotations of the free rate have been at about the same level as the new rates.

The new official rate of 18.00 sucres per dollar will apply to most minor exports and insurance receipts. The new official import rate of 18.20 sucres per dollar will apply to nonessential and luxury goods (c.i.f. List II imports) and insurance payments. Proceeds from major exports and a few invisibles will continue to be surrendered at 15.00 sucres per dollar. Essential and semiessential goods (List I imports) and a few essential nontrade transactions will still be paid for at 15.15 sucres per dollar. The fluctuating free-market rate will be confined to invisible transactions classed as nonessential and to capital transfers.

NATIONALIST CHINA UNIFIES
EXCHANGE RATE

The Republic of China (Taiwan) unified its exchange rates, effective June 1, at approximately 40.00 new Taiwan dollars per U.S. dollar.

This action abolishes the former official export and import rates of NTD 36.08 and NTD 38.17, respectively, which in practice applied to only a few transactions. The free "exchange certificate" rate of about NTD 40.00 per dollar now in effect will presumably continue.

AUSTRALIA INCREASES OUTPUT OF CANNED MEAT

Australian production of canned meats from January through March was 102 percent higher than in the same period of 1960.

Canned meat output has been influenced by several factors. Reduced production and strong export demand during 1960 caused a large reduction in stocks. Because of lower prices for canning-quality beef in 1961, manufacturers have been able to operate more profitably.

Historically, Australia has been a large producer of canned meats. When world meat prices have been low, large quantities of meat have been consumed by the canning industry. In recent years, high export prices for manufacturing-type beef have limited the supplies available for canning.

CANNED MEATS: Australian production, January-March 1960 and 1961 ^{1/}

Type of pack	January-March		Percent change
	1960	1961	
	1,000 pounds	1,000 pounds	Percent
Corned beef.....	1,991	3,412	+71.4
Minced beef loaf.....	4,785	5,268	+10.1
Other beef.....	5,533	10,060	+81.8
Corned mutton.....	3,335	3,978	+19.2
Other mutton.....	5,580	8,944	+60.3
Becon and ham.....	1,494	2,464	+64.9
Other pork.....	146	412	+182.2
Camp pie (meat and cereal preparations).....	2,972	9,684	+225.8
Other mixed meat.....	1,001	9,164	+815.5
Sausages.....	157	2/	
Meat and vegetables ^{2/}	1,935	2/ 5,071	+142.4
Total.....	28,929	58,457	+102.0

^{1/} All data subject to revision. ^{2/} Includes all packs containing meats and vegetables combined, except meat-based baby foods, pork and beans, and similar packs with negligible meat content. For 1961, meat and vegetables include sausage.

SPAIN PLACES LARGE WHEAT ORDERS

Spain has just bought 5.5 million bushels of wheat from the United States and an equal amount from Australia.

Since July 1960 the United States has exported approximately 26.2 million bushels of wheat and flour to Spain. Exports from Argentina to Spain in the same period totaled about 2.8 million bushels and those from Australia 745,000.

ITALY PLACES IMPORT QUOTA
ON POULTRY MEAT

Italy recently placed a \$200,000 quota on imports of poultry meat from the dollar area for the remainder of 1961.

U.S. EXPORTS OF MOST LIVESTOCK
PRODUCTS DROP IN APRIL

U.S. exports of lard, tallow and greases, red meats, and mohair were considerably lower in April than in the same month of 1960. The decline generally reflects higher prices for these products in the United States this year. Shipments of variety meats, hog casings, and hides and skins were higher.

Lard exports totaled 26 million pounds in April--54 percent below April 1960. Shipments to the United Kingdom in the first 4 months of 1961 were 39 percent below the same period of 1960. Tallow shipments were 21 percent less in April than during the same month of 1960. Exports of 33 million pounds in March and 24 million in April to the U.S.S.R. are the first sizable shipments to that country.

Red meat exports dropped 22 percent below those of April 1960. Pork shipments were 31 percent lower; beef and veal, 2; canned sausage, 14; sausage except canned, 12; and other canned meats, 33. Exports of lamb and mutton were 56 percent higher in April than in the same month of the previous year. Exports of canned baby foods containing meats were up 29 percent over April 1960.

Variety meat exports were 9 percent higher in April than in April 1960. Hog casings were 19 percent higher because increased supplies have found a ready market in New Zealand and Australia. Exports of other natural casings were 3 percent less in April than in April 1960.

Mohair shipments of 1,739,000 pounds in April were 44 percent lower than in April 1960.

Exports of hides and skins have continued the trend of previous months, with April shipments averaging considerably higher than in the same month of 1960. Calfskin exports were 41 percent larger; cattle hides, 40; kip skins, 29; and sheep and lamb skins, 12.

LIVESTOCK PRODUCTS: U.S. exports of selected items, April 1960 and 1961 and January-April 1960 and 1961, with percentage change

(Product weight basis)

Commodity	April			January-April		
	1960	1961	Percent change	1960	1961	Percent change
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Lard.....	56,154	26,065	-54	230,720	140,423	-39
Inedible tallow & greases 1/	173,159	136,808	-21	630,095	548,741	-13
Edible tallow & greases 2/	2,211	943	-57	5,718	3,713	-35
Meat:						
Beef and veal.....	2,639	2,582	-2	9,492	10,711	+13
Pork.....	7,078	4,876	-31	25,270	23,441	-7
Lamb and mutton.....	108	168	+56	392	498	+27
Sausage:						
Except canned.....	160	141	-12	635	687	+8
Canned.....	130	112	-14	389	527	+35
Baby food, canned.....	111	143	+29	817	490	-40
Other canned meats.....	99	66	-33	768	375	-51
Total red meat.....	10,325	8,088	-22	37,763	36,729	-3
Variety meats.....	7,738	8,397	+9	39,762	38,729	-3
Sausage casings:						
Hog.....	644	764	+19	2,986	3,271	+10
Other natural.....	310	301	-3	1,798	1,569	-13
Mohair.....	3,093	1,739	-44	6,354	6,777	+7
Hides and skins:						
Cattle.....	374	523	+40	2,024	2,706	+34
Calf.....	153	216	+41	592	961	+62
Kip.....	31	40	+29	137	197	+44
Sheep and lamb.....	196	220	+12	584	808	+38

1/ Includes inedible tallow, oleic acid or red oil, stearic acid, and other inedible animal greases, fats, and oils. 2/ Includes edible tallow, oleo oil and stearin, oleo stock and shortenings, animal fat, excluding lard.

U.S. Department of Commerce.

AUSTRALIAN BEEF SHIPPED TO NORTH AMERICA

Four ships sailed from Australia between May 18 and 26 with 9,307,200 pounds of frozen beef for the United States and 123,200 pounds for Canada.

Ship	Sailing date	Destination <u>1/</u>	Quantity
			<u>Pounds</u>
Pioneer Gem.....	May 18	New York	112,000
		Philadelphia	67,200
		Boston	15,680
		Baltimore	56,000
Coral Sea.....	do. 21	New York	6,487,040
		Philadelphia	551,040
		Boston	418,880
		Montreal	64,960
Pioneer Isle.....	do. 25	New York	636,160
		Philadelphia	33,600
		Boston	201,600
		Charleston	33,600
		St. John	58,240
Monterey.....	do. 26	San Francisco	425,600
		Los Angeles	268,800

1/ Cities listed indicate location of purchaser and usually the port of arrival and general market area, but the meat may be diverted to other areas for sale.

The Oriana, which sailed May 8 (Foreign Crops and Markets, June 12, 1961), carried 548,800 pounds for San Francisco--22,400 less than scheduled.

JAPAN EXPECTS INCREASE IN WOOL IMPORTS

Japanese wool imports are expected to rise moderately this year, reflecting increased mill activity and the liberalization of imports on April 1.

Consumption of virgin wool rose from 32,572 metric tons, scoured basis, in 1951 to 118,609 in 1960, with increases recorded every year except 1958 when a recession beset the textile industry. Throughout these years, Japan provided greater amounts of foreign currency to meet its increasing import requirements under various import allocation procedures.

For several years Japan curtailed output of worsted and woolen yarn by "sealing off" or retiring part of its spindles. The unused spindles

equal about 36 percent of the total capacity of worsted yarn manufacturers and 8 percent of woolen yarns. Currently, however, demand for worsted yarn for export is booming, and the Woolen Goods Export Development Association is urging the government to decrease the number of retired worsted spindles to about 34 percent of capacity.

Exports of Japanese woolen fabrics during 1960 were equivalent to \$54.5 million--7 percent more than a year earlier. Exports to the United States accounted for 47 percent of the total.

PORTUGAL EXPECTS LARGE ALMOND CROP

The 1961 almond crop in Portugal is forecast at 5,000 short tons, shelled basis.

This quantity would be well above average production of 3,800 tons from 1954 through 1958 and much larger than the short 1960 crop of 1,400 tons. Old-crop stocks on September 1, 1961, may total only 1,000 tons, in contrast with stocks of 2,000 tons a year earlier.

U.S. WHEAT EXPORTS TO SET NEW RECORD

U.S. exports of wheat and flour in 1960-61 will establish a new all-time record if the present trend continues.

Exports of wheat, including flour measured in grain equivalent, will probably reach at least 665 million bushels in the current marketing year. This quantity will exceed the previous record established in 1956-57 by about 115 million bushels and 1959-60 shipments by approximately 153 million.

The unprecedented increase can be attributed principally to 2 factors. Most important in quantitative terms is the upsurge in shipments under special programs. The greatest increase has occurred in movements under Title I of Public Law 480. Principal recipients were India, Brazil, Poland, the United Arab Republic, and Pakistan. Exports under other programs are also expected to be substantially greater than last year.

Commercial exports will also show a significant increase over the levels of recent years. This gain is due chiefly to the poor crops harvested in 1960 in Spain and Italy. Both countries required substantial imports this year in contrast with other recent years when both exported wheat.

Exports of 665 million bushels, in addition to setting a new record, exceeded domestic utilization--about 610 million bushels in 1960-61--for the first time, at least since 1909-10. These exports also represent nearly 49 percent of the 1960 crop, the second highest on record. In only 2 other years--and with much smaller crops--has a higher percent of production moved into export.

INDIAN JUTE MILLS TO CLOSE TEMPORARILY

The Indian Jute Mills Association will close 87 of its mills for 2 periods of 7 days each at optional times between June 26 and July 24.

The shortage of raw jute available to the mills from the 1960 short crop led the association to cut back on production as a necessary step in balancing consumption with supply. Both Indian and West Bengal governments approved the step. Further adjustments in mill activity may be made as determined by studies of the supply situation.

WORLD WHEAT TRADE
TO REACH NEW PEAK

The movement of wheat in world trade, which has been on a rising trend since World War II, is expected to exceed in 1960-61 the previous record established in 1959-60.

Although production also increased, smaller crops in some areas and growth in world consumption brought about the need for larger imports. Trade in 1960-61 is estimated at about 1,500 million bushels--12 percent more than the 1,347 million that entered world trade in 1959-60.

In addition to more or less normal import requirements, several special factors have had an important bearing on 1960-61 trade.

In prewar years, Mainland China imported wheat, often in substantial quantities. Since this time, however, little or no wheat has been imported. In 1960, China, owing to widespread drought and other factors, harvested only small crops. As a result, it has been necessary to import substantial quantities, and by the end of the year, purchases will probably exceed 60 million bushels. All shipments will come from Canada and Australia--an important factor that will contribute to the higher export of wheat from both countries in 1960-61.

Net imports into Western Europe will also be larger, reversing, at least temporarily, the recent declining trend. Substantially smaller crops in Italy and Spain, together with generally poor-quality crops in the entire area, are chiefly responsible for the increase in imports.

A further sharp rise in shipments under special programs is the most important single factor contributing to the increased movement of wheat, accounting for more than 50 percent. Special programs of the United States made the largest gain, but Canadian shipments also were greater.

Other factors have had a part in pushing the world wheat trade to the new record, for example, the continued drought in the eastern end of the Mediterranean basin. Such factors, however, occur in one part or another of the world every year and tend to offset one another.

LARGE ALMOND CROP
FORECAST FOR IRAN

The 1961 almond crop in Iran is forecast by the Foreign Agricultural Service at 11,000 short tons, shelled basis--the largest since 1957 when an 11,000-ton outturn was also harvested. Average production from 1954 through 1958 is 7,800 tons.

Forecasts of Iranian fruit production are based on fragmentary and unofficial information, and they are therefore subject to considerable error.

Winter precipitation and other climatic conditions have been favorable this year, in contrast with those of 1960 when only 3,500 tons were harvested.

Beginning stocks for the 1961-62 season may approximate 500 tons, or half of the 1,000 tons believed on hand at the beginning of the 1960-61 season.

Exports during 1960-61 are estimated at 1,700 tons, shelled basis, compared with 6,600 tons in 1959-60 and 6,000 tons in 1958-59. Shipments could exceed 7,000 tons in 1961-62.

WHEAT PROSPECTS ARE GOOD
IN NORTHERN HEMISPHERE

Prospects are generally good for the 1961 wheat crop in the Northern Hemisphere, and although there are some unfavorable areas, production will probably approach the high level of a year ago.

It is too early in the season for definite forecasts, but the present outlook is for another bumper crop in North America and a somewhat larger outturn in the Soviet Union. These good prospects offset less favorable prospects in Europe, parts of Asia, and Africa.

The 1,344 million bushels forecast for the United States is only about 1 percent below the near-record production in 1960. A slightly larger winter wheat forecast is offset by an expected reduction in the spring wheat crop.

Spring seeding has just been completed in Canada. Early seeded acreage is off to a good start. Soil moisture reserves are low over a large part of the Prairie Provinces but if timely rains occur during the remainder of June and July, Canada could harvest another above-average wheat crop.

Conditions in Europe are less promising than at this time last year. A number of the principal producers expect smaller crops this year, especially in France, Spain, and the United Kingdom. The present outlook in Italy is for a below-average crop but possibly a little above the poor 1960 production. The outlook is for smaller outturns in Eastern as well as Western Europe.

In the Soviet Union the outlook is for a larger wheat crop than was harvested in 1959 or 1960. Conditions are good in the Ukraine and other southern wheat areas but are less favorable in the east--in the new lands.

Conditions vary widely in Asia. Harvesting was recently completed in India and Pakistan; a record outturn is reported in India, while in Pakistan the crop is officially placed 15 percent below the large 1960 production. Japan's crop is slightly below average. The outlook is for another poor crop in Mainland China. Good outturns are reported from a number of Near East countries; Syria, Lebanon, and Israel are getting back to normal after the low outturns of the past 2 years.

Production is down sharply in North Africa. Egypt's crop is above average but other large producers of the area report much smaller outturns.

FINLAND'S IMPORTS AND CONSUMPTION OF COTTON DOWN MODERATELY

Finnish imports and consumption of cotton during the first three-quarters of the 1960-61 season were somewhat below the relatively high level of a year ago.

Imports from August 1960 through April 1961 totaled 66,000 bales (500 pounds gross). Although this figure was 11 percent below the 74,000 bales imported in a similar 1959-60 period, it was 12 percent above average imports of 59,000 bales in the first 9 months of the previous 5 seasons.

U.S. cotton accounted for about half of total mill arrivals during the period under review. The U.S.S.R. supplied most of the remainder under a trade agreement, while a small quantity came from Egypt. In addition to imports for prompt delivery to mills, Finland imported about 6,000 bales from the U.S.S.R. for the government stockpile.

Total imports this season will likely fall considerably short of the 1959-60 intake of 109,000 bales when stocks were more than doubled. Little change is expected in stocks this season from the 49,000 bales on hand August 1, 1960. Included in this figure are about 23,000 bales of Russian cotton, which is in the government stockpile.

Finland's cotton consumption of 57,000 bales in the first 8 months (August-March) of this season was 3 percent less than the 59,000 used in the corresponding period a year earlier. In view of continued active domestic offtake, this complete season's consumption probably will come close to the 51,000 bales used in 1959-60.

U.S. SENDS TRIAL SHIPMENTS OF VEGETABLES TO U.K.

Several shipments of U.S. vegetables, including celery, watermelons, and sweet corn, were sent to the United Kingdom during May. All except one variety of watermelon arrived in good condition and were well received by the trade in London.

COLOMBIA REESTABLISHES SUPPORT
PRICE FOR SOYBEANS

Colombia has reestablished a support price for soybeans.

At the recommendation of a consultative committee on agricultural affairs, established May 6, the government has now definitely set the support price of soybeans at 800 pesos per metric ton. This figure is equivalent to \$3.00 per bushel at the exchange rate of 7.25 pesos per dollar.

A support price of 1,000 pesos per ton (\$3.75 per bushel) was established on December 29, 1960, but shortly thereafter this price was temporarily suspended until further studies on production costs could establish a basis for a more realistic support level (Foreign Crops and Markets, January 30 and March 20, 1961). Meanwhile the government temporarily permitted a support of 800 pesos, the price that processors formerly had guaranteed producers.

In announcing the revocation of the 1000-peso support, the government stated that it is not considered desirable to stimulate production of soybeans because: (1) this crop is principally a raw material for production of cake and meal, less so for oil; (2) it displaces food crops such as rice and beans and therefore has the effect of increasing prices of these products; and (3) expanded production would result in overproduction and surpluses would be difficult to export.

U.S. IMPORTS LESS COTTON

U.S. imports of cotton for consumption during the first three-quarters of the 1960-61 season, based on reports of the Bureau of the Census, totaled 121,000 bales (500 pounds gross).

The quantity imported from August 1960 through April 1961 is 14 percent less than the 141,000 bales imported in the same period of the previous season. Quantities imported from principal sources in August-April 1960-61, with comparable 1959-60 figures in parentheses, were: Egypt 68,000 bales (67,000); Mexico 31,000 (38,000); Peru 15,000 (15,000); and Pakistan 3,000 (10,000). All imports from Pakistan consisted of short, harsh Asiatic cotton, not subject to import quotas.

Imports of 3,000 bales in April were about equal to the quantity received in March, as well as in April 1960.

The above figures do not yet include imports of cotton from Canada and Mexico in the form of picker lap, which is not subject to quota. Imports of picker lap, which amounted to the cotton equivalent of about 43,000 bales in 1960, have decreased greatly in 1961 because of administrative actions, aggregating 820 bales cotton equivalent during January-April 1961.

CANADA TO EXPAND OILSEED ACREAGE

Canadian acreage seeded to soybeans will be up this year as much as 20 to 25 percent over 1960, according to present information. Official acreage data will not be available until early July.

This expansion would be the first sizable increase in several years. Current prices for soybeans are well above last year's level, and soybean acreage will probably increase at the expense of corn. Soybeans are raised primarily in Ontario Province. Here the weather has been favorable so far this year, in contrast with last year's unfavorable weather, which resulted in lower yields per acre.

A modest increase in flaxseed and rapeseed acreages may take place this year. Although sowing conditions have been favorable in the Prairie Provinces--the area of flaxseed and rapeseed production, subsoil moisture is still inadequate in many areas and frequent rains will be necessary throughout the growing season.

MAJOR OILSEEDS: Canadian acreage and production, annual, 1956-60

Item	Unit	1956	1957	1958	1959	1960
Acreage:						
Flaxseed.	1,000 acres	3,041	3,486	2,623	2,151	2,817
Soybeans.	do.	243	256	263	251	257
Rapeseed.	do.	352	618	626	214	756
Production:						
Flaxseed.	Million bushels	35.0	19.2	22.8	17.7	25.1
Soybeans.	do.	5.3	6.5	6.6	6.8	5.7
Rapeseed.	Million pounds	300	433	388	178	551

BELGIAN IMPORTS OF OILSEEDS AND OILS UP;
OILCAKES AND MEALS DOWN

Belgian imports of oilseeds and vegetable oils in 1960 increased sharply over each of the previous 2 years, but imports of oilseed cakes and meals declined moderately.

Soybean imports, virtually all from the United States, were three-fourths larger than in 1959; copra, mostly from the Philippines, increased by one and three-fourths; and castor beans, mainly from Ecuador and Mainland China, were more than double the previous year's takings. Major decreases were in peanuts, palm kernels, and flaxseed.

Peanut oil imports, principally from Argentina, the Republic of the Congo, and China were up one-half; cottonseed oil imports, largely from the United States, were over 3 times 1959 tonnage; and soybean oil imports from the United States and the Netherlands more than doubled.

OILSEEDS, OILS, OILCAKES, AND MEALS: Belgium, imports and exports
by commodity, annual 1958-60

Commodity	Imports			Exports		
	1958	1959	1960 1/	1958	1959	1960 1/
	1,000	1,000	1,000	1,000	1,000	1,000
	short	short	short	short	short	short
	tons	tons	tons	tons	tons	tons
Oilseeds:						
Peanuts.....	63.5	75.3	28.7	---	2/	2/
Soybeans.....	42.1	84.7	149.0	---	---	2/
Rapeseed.....	1.8	3.5	2.5	0.2	0.2	2/
Sunflower.....	1.7	1.3	1.8	0.1	0.1	0.1
Mustard.....	1.0	1.3	1.6	0.1	0.1	0.5
Copra.....	20.8	11.8	32.1	---	---	2/
Palm kernels.....	32.9	33.6	25.5	---	2/	2/
Flaxseed.....	19.0	40.3	36.6	10.5	10.6	16.6
Castor beans.....	5.0	3.2	6.8	2/	---	---
Other.....	14.0	9.5	11.3	.1	0.6	0.3
Total.....	201.8	264.5	295.9	11.0	11.6	17.5
Vegetable oils 3/						
Peanut.....	20.5	17.0	25.5	8.1	5.4	6.2
Soybean.....	0.9	2.1	4.5	2.1	3.3	6.5
Cottonseed.....	4.7	4.3	13.5	2/	2/	2/
Coconut.....	6.5	3.5	3.6	1.3	0.2	0.7
Palm.....	42.0	47.8	46.8	5.0	6.7	9.4
Palm kernel.....	3.6	3.2	1.0	4.0	3.4	1.5
Linseed.....	0.6	1.7	1.0	4.2	1.6	1.7
Other.....	4.3	3.6	5.9	4.3	2.9	4.0
Total.....	83.1	83.2	101.8	29.0	23.5	30.0
Oilseed cakes and meals:	253.2	241.6	223.5	49.3	69.4	41.1

1/ Preliminary. 2/ Less than 50 tons. 3/ Crude and refined.

Institut National de Statistiques.

With the major exception of soybeans, the generally downward trend in imports of oil-bearing materials in recent years continued in 1960. This trend resulted from (a) more crushing being done in the oilseed-producing countries and (b) exporting byproducts rather than raw materials.

The foregoing change has caused the oil industry in most European countries to shift more and more from crushing to oil-refining. In Belgium,

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however, a local mill doubled its production capacity in 1959 and is now specializing in soybeans and byproducts. Nevertheless, the volume of other oilseeds crushed dropped from 173,000 short tons in 1954 to 161,000 in 1960.

Soybeans is the only oilseed for which a continuous significant upward trend in imports has occurred in recent years. Imports could be increased further in view of possible expanding demand for soybean meal for feed. Promotional sales campaigns for use of soybean oil as table oil and increased use of margarine are expected to expand market possibilities.

TRANSSHIPMENTS OF MEXICAN COTTON DECLINE

Transshipments of Mexican cotton through U.S. ports were 448,000 bales (500 pounds gross) during the first half of the 1960-61 season, compared with 514,000 in the corresponding 1959-60 period. U.S. ports through which most of the cotton moved were: Brownsville 409,000 bales, San Diego 31,000, Galveston 3,000, and Houston 2,000.

Quantities shipped to principal destinations during August-January 1960-61, with comparable 1959-60 figures in parentheses, were: West Germany 106,000 bales (92,000); France 76,000 (72,000); Japan 66,000 (103,000); Italy 54,000 (39,000); United Kingdom 22,000 (46,000); Switzerland 19,000 (24,000); and Belgium 18,000 (22,000).

Shipments in January totaled 56,000 bales, compared with 37,000 in December 1960 and 28,000 in January 1960.